



General Assembly

February Session, 2000

Raised Bill No. 5165

LCO No. 675

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

An Act Concerning The Continuation Of Health Insurance Coverage Following A Plant Closing.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 31-51o of the general statutes is repealed and the following
2 is substituted in lieu thereof:

3 (a) Whenever a relocation or closing of a covered establishment
4 occurs, the employer of the covered establishment shall [pay] :

5 (1) Pay in full for the continuation of existing group health
6 insurance, no matter where the group policy was written, issued or
7 delivered, for each affected employee and [his] such employee's
8 dependents, if covered under the group policy, from the date of
9 relocation or closing for a period of one hundred twenty days or until
10 such time as the employee becomes eligible for other group coverage,
11 whichever is the lesser, provided any right of such employee and [his]
12 such employee's dependents to a continuation of coverage for up to
13 seventy-eight or one hundred fifty-six weeks, as the case may be, as
14 required by section 38a-538 or 38a-554 shall not be affected by the
15 provisions of this section, and provided further the period of

16 continued coverage required by said sections shall not commence until
17 the period of continued coverage established by this section has
18 terminated[.] ; or

19 (2) Pay to each affected employee an amount equivalent to the cost
20 of continuing the employee's existing group health insurance, no
21 matter where the group policy was written, issued or delivered, for the
22 employee and the employee's dependents, if covered under the group
23 policy, from the date of relocation or closing for a period of one
24 hundred twenty days or until such time as the employee becomes
25 eligible for other group coverage, whichever is the lesser.

26 (b) The provisions of this section shall not apply to those employees
27 who, upon the relocation or closing of a covered establishment, choose
28 to continue their employment with the employer at the new location of
29 the facility.

30 (c) Notwithstanding the provisions of this section, any contractual
31 agreement arrived at through a collective bargaining process that
32 contains provisions requiring the employer to pay for the continuation
33 of existing group health insurance for [his] the employer's affected
34 employees in the event of a relocation or closing of a covered
35 establishment shall supersede the requirements of this section and, in
36 the event of a conflict, the contractual provisions shall be deemed to be
37 controlling.

Statement of Purpose:

To ensure that employees who are laid off due to a plant relocation or closing have at least four months of health insurance coverage following the plant relocation or closing.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]